Elbit Systems Awarded $125 Million Contract From the IMOD to Provide Automatic SPH Gun Systems to the IDF

March 27, 2019

HAIFA, Israel, March 27, 2019 /PRNewswire/ -- Elbit Systems Ltd. (NASDAQ: ESLT) (TASE: ESLT) ("Elbit Systems" or "the Company") announced today that it was awarded an approximately $125 million (NIS 460 million) contract from the Israeli Ministry of Defense ("IMOD") to supply fully automatic self-propelled howitzer gun systems to the Israeli Defense Forces ("IDF"). The contract, which also includes the supply of training simulators, will be performed over a 12-year period.

The IMOD and Elbit Systems intend that further part of the automatic howitzer gun systems program, under an additional contract to the Company in an amount that is expected to be material, will be performed by various U.S. companies including Elbit Systems of America, LLC, subject to completion of the receipt of applicable governmental approvals for the U.S. content.

The new automatic howitzer gun system is based on know-how and experience the Company accumulated over decades of supplying artillery systems to numerous armed forces. The new howitzer gun system is capable of automatic loading and laying. According to the applicable mission, the new gun system automatically selects the required projectile, propellant and fuze, loads them and lays the gun to optimally engage targets. The new howitzer gun system will enhance the effectiveness of the artillery formation of the IDF while reducing the number soldiers in each platform and significantly reduce life-cycle costs.

Bezhalel (Butzi) Machlis, President and CEO of Elbit Systems, commented: "We are proud to take part in building the future artillery formation of the IDF. This contract award is a vote of confidence in Israeli defense technology and an acknowledgment of the international leadership of Elbit Systems in the area of artillery systems. We believe that effective integration of precision, rapidity and autonomy together with a built-in connectivity to the communication and command & control systems will become the required standard. We are witnessing a growing need for advanced and reliable artillery systems that enable powerful and efficient operation in all combat configurations."

About Elbit Systems

Elbit Systems Ltd. is an international high technology company engaged in a wide range of defense, homeland security and commercial programs throughout the world. The Company, which includes Elbit Systems and its subsidiaries, operates in the areas of aerospace, land, and naval systems, command, control, communications, computers, intelligence surveillance and reconnaissance ("C4ISR"), unmanned aircraft systems, advanced electro-optics, electro-optic space systems, EW suites, signal intelligence systems, data links, communications systems, radios, cyber-based systems and munitions. The Company also focuses on the upgrading of existing platforms, developing new technologies for defense, homeland security and commercial applications and providing a range of support services, including training and simulation systems.

For additional information, visit: www.elbitsystems.com, follow us on Twitter or visit our official Youtube Channel.

This press release contains forward-looking statements (within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended) regarding Elbit Systems Ltd. and/or its subsidiaries (collectively the Company), to the extent such statements do not relate to historical or current fact. Forward-looking statements are based on management's expectations, estimates, projections and assumptions. Forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, as amended. These statements are not guarantees of future performance and involve certain risks and uncertainties, which are difficult to predict. Therefore, actual future results, performance and trends may differ materially from these forward-looking statements due to a variety of factors, including, without limitation: scope and length of customer contracts; governmental regulations and approvals; changes in governmental budgeting priorities; general market, political and economic conditions in the countries in which the Company operates or sells, including Israel and the United States among others; differences in anticipated and actual program performance, including the ability to perform under long-term fixed-price contracts; and the outcome of legal and/or regulatory proceedings. The factors listed above are not all-inclusive, and further information is contained in Elbit Systems Ltd.'s latest annual report on Form 20-F, which is on file with the U.S. Securities and Exchange Commission. All forward-looking statements speak only as of the date of this release. The Company does not undertake to update its forward-looking statements.

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